Form MR-SMO (Revised September 21, 2009)

APPROVED

JUN 1 3 2011

DIV. OIL GAS & MINING

1.

Assigned DOGM File No.: S 049 0080

DOGM Lead: L+nn

Permit Fee \$_____ Ck #____

Task 3747

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801

Telephone: (801) 538-5291 Fax: (801) 359-3940

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SEP 0 1 2010

Div. of Oil, Gas & Mining

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

Note on confidentiality: Information provided in the notice of intention relating to the location, size, or nature of the mineral deposit that is clearly marked confidential will be protected as confidential. Each page or map requested to be kept confidential must be stamped or marked as such. The requested confidential information must describe how the confidential material relates to the location size or nature of the mineral deposit; provide a written claim of business confidentiality; and/or include a concise statement of reasons supporting the claim of business confidentiality, unless disclosing the location of explosives or historic, prehistoric, paleontological, or biological resource that must be considered confidential under statute.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

7	SENERAL INFORMATION (Rule R647-3-104)
1.	Name of Mine: Fox Canyan
2.	Legal name of entity (or individual) for whom the permit is being requested:
	Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) www.commerce.utah.gov . Are you currently registered to do business in the State of Utah? Entity #

3.	Name: DANA BECK Ti	tle: PRES.	
	Name: DANH DECK Ti Address: 621 Westfield Rd	ue. 1 1000.	
	City, State, Zip: ACPINE US: 84004		
	Phone: 80/-37z-9700 Fax: 80/-	492-9050	
	Emergency, Weekend, or Holiday Phone: Sawe		
	E-mail Address: Dava Beck Beck Ut	AH. Com	
Conta	act person to be notified for: permitting (Surety)	Notices Minlease	checkall that
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	8	0.	JUN 1 3 2011
	Name: DANA BECK Title	: Mes,	
	Address: 621 Westfield Rd		DIV. OIL GAS & MIN
	Oity, Otato, Zip.	004	
	1 110110: 1 GA:	497-9050	
	Emergency, Weekend, or Holiday Phone:		
	E-mail Address: DANA @ BECKBERK L		
onta	act person to be notified for: permitting () surety ()	Notices () (please	check all that
pply			
	Registered Utah Agent (as identified with the Utah De	partment of Commer	rce) (if individual
	leave blank):		
	Name:		
	Address:		
	City, State, Zip:		
	Phone: Fax:		
	E-mail Address:		
	If Business is a Sole Proprietor:		
	Name of Owner:	Title:	
	Business Address:		
	Phone: Fax:		
	E-mail Address:		
	2 man / tadiooo.		
	If Business is a Corporation:		
	Name of Officers: DAVA BECK	Title: Pres.	
	Name of Officers.	Title:	
	Headersaters Address / S. 112-22 A. 11 10 0	Title:	
	Headquarters Address: 621 West Field Rel		
	City, State, Zip: Culpine Ud. 84004	- 8. 400	2 - 80:50
	Headquarters Phone: 801 - 356 ~ 1710	Fax: 801- 470	- 4026
	E-mail Address:		THE PART OF THE PA
	If Business is a Limited Liability Company: Membe	r Managed G Manag	ger Managed G
	Name of 1 st Member/Manager:	Title:	
	Business Address:		
	City, State, Zip:		
	Phone: Fax:		
	E-mail Address:		
	L IIIdii Addiess.		
	Name of 2 nd Member/Manager:		
	Name of 2 nd Member/Manager:		
	Business Address:		
	City, State, Zip:		SALES AND A STATE OF THE SALES
	Phone: Fax:		
	E-mail Address:		

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	Name of Partner:	
	Business Address:	DIV. OIL GAS & MIN
	City, State, Zip:	
	Phone:	Fax:
	E-mail Address:	
5.	Ownership of Land Surface	
	State Trust Land/School Sec	omain (BLM) G National Forest (USFS) G tions G State Sovereign Lands G
	Name war town Deo-ecopy	LWAddress
	Name	_ Address
		Address
		Address
6.	Ownership of Minerals:	
0.	Ownership of Millerals.	
	State Trust Land/School Sec	omain (BLM) G National Forest (USFS) G tions G State Sovereign Lands G
	Name My Home Hevi.	_ Address
	Name	_ Address
	Name	Address
	Name	_ Address
	BLM Lease or Project File Nu	umber(s) and/or USFS assigned Project Number(s):
	BLM Claim Numbers	
	Utah State Lease Number(s)	
	Name of Lessee(s)	
7.	Have the above surface and Yes	d mineral owners been notified in writing? No
	If no, why not?	
lining a xplora	be advised that if State Trust La alone does not satisfy the notific tion or mining activity on State T	nds are involved, notification to the Division of Oil, Gas and ation requirements of Mineral Leases upon State Trust Land rust Lands requires a minimum of 60 days notice to the Trust ing any activities. Please contact the School Institutional Tr

Does the Entity have legal right to enter and conduct mining operations on the land

No

Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

Yes X

covered by this notice?

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8.

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II.	PROJECT LOC	CATION & MAP	(Ru	ile R647-3-10	5)		
1.	Project Loca	tion & Map (lega	al de	escription):			
	County(ies):	itah.					
	1/4, of 1/4, of 1/4, of	1/4, of 1/4, of 1/4, of	1/4: 1/4: 1/4:	Section: Section:	Township: Township: Township:	Range: Range: Range:	
known	UTM East			(if known)	UTM North		(If
	Name of Quad N	Map for Location:					
2.	landmarks an labels, and tit a. The gener equivalent (1' b. The operamust be label i. The holes iii. Any	d operations det le box including the ral location map '=2000') and identiform map (1"=2 ed and identify: area to be disturble location of any exist, trenches, pits, adjacent previou	ails. the nontify 200' bed; xistir shaf	All maps must nine name, too st be the scale new or existin or other scale ag or proposed fts, cuts, or oth sturbance for v	st include a north and wnship, range and see of a USGS 7.5 ming access roads. as determined necess.	essary by the Divisions access roads, driles; and not responsible.	n)
3.	marked in the equal effectiv	field ON THE G	ROL	JND with meta ould be approp	riately spaced so th	roads) should be ome other marker of at the next marker in	
III.	OPERATION P	LAN (Rule R64	7-3-1	106)			
1.	Type of mini	ng: Surface	}	Undergrou	ind		
2.	Mineral(s) to	be mined:	100	vel			
3.		naterial to be ext		ed, moved, or	proposed to be mov	ed: Approx.	
4.		s part of the mini	ng o	r milling proce	other solutions be ss? cribe (add extra pag		

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5.	DIV. OIL GAS & MINING Provide a brief description of the proposed mining operation and onsite processing,
	facilities (add extra pages if necessary). Removal of vicess material Now Site for Condo Development Project
6. NA	New Road(s): Length (ft) Width (ft)
	Improved Road(s): Provide a description of the improvements that need to be made g roads to access the site, including the Length (ft) and Width (ft) sturbances.
8.	Total project surface acreage to be disturbed: 5 (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount – see #VI).
9. 10.	Proposed startup date (month, year) Sept 1 2010 Proposed completion date, if known (month, year) Sept 1 2010
IV. C	PPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)
to public premining Operator	the reclamation and operation obligation is to keep the area clean and safe, minimize hazards safety, return the land to a useful condition, and reestablish at least 70 percent of the g vegetative ground cover or within practical limits. To accomplish this, the Permittee / will need to perform reclamation concurrently, or at the completion (within one (1) year) of Please refer to The Practical Guide to Reclamation in Utah, available at
	ogm.utah.gov/pub/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf.
1.	Keep the mining operation in a safe, clean, and environmentally stable condition.
2.	Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3.	Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4.	Construct berms, fences, or barriers, when needed, above highwalls and excavations.
	Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6.	Remove all waste or debris from stream channels.
7.	Dispose of any trash, scrap metal, wood, machinery, and buildings.
8	Conduct mining activities so as to minimize erosion and control sediment

Reclaim all roads that are not part of a permanent transportation system.

10. Stockpile topsoil and suitable overburden prior to mining.

9.

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- 11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
- 12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
- 13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
- 14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. <u>VARIANCE REQUEST</u> (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act.

Justification: _	Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed)
Alternate metho	ods or measure to be utilized:
2 nd Variance Re	quested
	Applicable Rule #
Alternate metho	ods or measure to be utilized:
3 rd Variance Re	quested

VI. SURETY (Utah Code Ann. §40-8-7(1)[c])

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing. The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)[c]).

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The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.

VII. PERMIT FEE (Utah Code Ann. §40-8-7(1)(i))

A permittee's authorization under a notice of intention to conduct small mining operations shall require the paying of permit fees as authorized by the Utah Legislature (R647-3-102.5). Permit fees are assessed to <u>new</u> and <u>existing</u> small mining operations, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Small Mine Notices require a \$150.00 fee, which must accompany this application, or the Division cannot process it.

VIII. SIGNATURE REQUIREMENT

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

c. This certification must be signed by: (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; or (4.) the member or manager if applicant is a limited liability company.

Signature:

Name (typed or printed):

Title/Position (if applicable):

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Date: Sut/ Zulo

VICINITY MAP